



**Child Development
Division**

**MANAGEMENT
BULLETIN**

Subject:	Eligibility for CalWORKs Stage 3 Services after January 31, 2002	No.: 01-21
Authority:	<i>Education Code Section 8354</i> <i>California Code of Regulations, Title 5, Section 18424</i>	Date: December 2001
		Expires: June 30, 2002

**ATTENTION: ALTERNATIVE PAYMENT PROGRAMS PROVIDING
CalWORKs STAGE 2 AND STAGE 3 SERVICES**

PURPOSE

This Management Bulletin (MB) rescinds MB 01-18 and directs CalWORKs agencies to inform all families who have already been notified pursuant to MB 01-18 that their child care services will not end on January 31, 2002.

BACKGROUND

MB 01-18 directed agencies to inform families who would time out of CalWORKs Stage 2 in January 2002 and in subsequent months of Fiscal Year 2001-2002 that their subsidy for CalWORKs child care would end the month after the family timed out of Stage 2. MB 01-18 was issued because there were insufficient funds appropriated for Stage 3 to serve all families who would time out of Stage 1 and 2 this fiscal year. However, on December 5, 2001, the Governor instructed the Department of Finance to direct an additional \$18.7 million to fund the CalWORKs Stage 3 program. In his press release, the Governor indicated that the \$18.7 million is “. . . to be used to fully fund CalWorks [sic] Stage 3 childcare . . . [to] ensure that no family currently receiving a childcare subsidy will lose their childcare through the end of the current fiscal year (June 30).” Since there is no longer insufficient funding for Stage 3 this fiscal year, there is no longer a need for MB 01-18, and it is, therefore, rescinded.


REGULATORY REQUIREMENT

Effective immediately, CalWORKs agencies should discontinue noticing otherwise eligible families who will time out of Stage 2 child care between January 31 and May 31, 2002, that their child care will end. All families who have been previously noticed that their child care will end specifically because of insufficient funds in Stage 3 must be noticed that there is now sufficient funding in Stage 3 to continue their child care for this fiscal year.

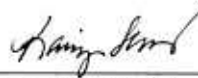
The augmentations necessary to permit each Stage 3 contract agency to enroll eligible families into Stage 3 for the duration of this fiscal year are currently being determined. While the Governor believes that his recent augmentation will be sufficient to fully fund Stage 3 for the fiscal year, staff will be carefully monitoring agencies' CalWORKs caseload and fiscal reports. At any time that the funding available for Stage 3 does not appear to be sufficient to continue to enroll all eligible families, CalWORKs contract agencies will be notified in accordance with the requirements of *California Code of Regulations* Title 5, Section 18424(e).

We expect Stage 3 contract augmentations to be sent to Stage 3 agencies in February 2002. Any agency that is experiencing a cash-flow problem while continuing to enroll all eligible Stage 3 families should contact their CalWORKs fiscal analyst immediately.

Any questions regarding the information in this Management Bulletin, or the process by which families should be informed that child care in Stage 3 will now be available, should be addressed to Nancy Remley at (916) 323-1329 or Mike Fuller at (916) 322-6248.



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This Management Bulletin is mandatory only to the extent that it cites a specific statutory and/or regulatory requirement. Any portion of this Management Bulletin that is not supported by a specific statutory and/or regulatory requirement is not prescriptive pursuant to Education Code 33308.5.